

108TH CONGRESS
2D SESSION

H. R. 3755

To authorize the Secretary of Housing and Urban Development to insure zero-downpayment mortgages for one-unit residences.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 3, 2004

Mr. TIBERI (for himself, Mr. SCOTT of Georgia, Mr. OXLEY, Mr. NEY, Mr. TURNER of Ohio, Mr. GREEN of Wisconsin, Mr. KING of New York, Mr. RENZI, Mr. LUCAS of Kentucky, and Mr. CLAY) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To authorize the Secretary of Housing and Urban Development to insure zero-downpayment mortgages for one-unit residences.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Zero Downpayment
5 Act of 2004”.

6 **SEC. 2. INSURANCE FOR ZERO-DOWNPAYMENT MORT-**
7 **GAGES.**

8 The National Housing Act is amended as follows:

1 (1) MORTGAGE INSURANCE AUTHORITY.—In
2 Section 203 (12 U.S.C. 1709) by adding at the end
3 the following new subsection:

4 “(y) ZERO-DOWNPAYMENT MORTGAGES.—Notwith-
5 standing any other provision of this section or any other
6 section of this title, the Secretary is authorized to insure,
7 and to commit to insure, any mortgage involving a prop-
8 erty upon which there is located a dwelling designed prin-
9 cipally for a 1-family residence which (1) involves a prin-
10 cipal obligation not in excess of 100 percent of the applica-
11 ble maximum dollar amount limit under subsection
12 (b)(2)(A) for a one-unit dwelling, and (2) is not in excess
13 of 100 percent of the appraised value of the property plus
14 any initial service charges, appraisal, inspection, and other
15 fees in connection with the mortgage as approved by the
16 Secretary. The Secretary is authorized to establish any ad-
17 ditional requirements as may be necessary, or appropriate,
18 including requirements regarding mortgagor and property
19 eligibility.”.

20 (2) GENERAL INSURANCE FUND.—In section
21 519(e) (12 U.S.C. 1735c(e)), by striking “and
22 203(i)” and inserting “, 203(i), and 203(y)”.

○